

NORDHAUS, HALTOM, TAYLOR, TARADASH & FRYE

B. REID HALTOM
LESTER K. TAYLOR
ALAN R. TARADASH
PAUL E. FRYE
WAYNE H. BLADH

MARCIA L. GREEN
LEE BERGEN
TERESA ISABEL LEGER
LISA M. ENFIELD
CINDY L. TURCOTTE

ATTORNEYS AT LAW
SUITE 1050
500 MARQUETTE AVENUE N.W.
ALBUQUERQUE, NEW MEXICO 87102
TELEPHONE (505) 243-4275
TELEFAX (505) 243-4464

SANTA FE OFFICE
SUITE 9
200 W. DE VARGAS STREET
SANTA FE, NEW MEXICO 87501
TELEPHONE (505) 982-3622
TELEFAX (505) 982-1627

October 5, 1990

Confidential Claim Retracted

AUTHORIZED BY: *g*

DATE: 5/16/13

HAND-DELIVERED

Mr. Allen Sedik
Bureau of Indian Affairs
Maya Building
First & Lomas
Water Rights Department
3rd Floor
Albuquerque, New Mexico 87102

Re: POL/BIA Modification No. 2

Dear Mr. Sedik:

Enclosed please find the final Modification No. 2 to the BIA/POL Cooperative Agreement. As we discussed today, in preparing this final document I reviewed the BIA's five suggested changes with Mr. George Farris. Based on those discussions I have changed Section 4.3 to conform to the two changes he requested.

If you have any questions, please do not hesitate to contact me. Please notify me when the Modification No. 2 has been approved by the BIA.

Very truly yours,

Nordhaus, Haltom, Taylor,
Taradash & Frye


Marcia L. Green

MLG:clb

Enclosure: Modification No. 2

cc: Governor Conrad Lucero
George Farris
Jim Olsen
Neil Casper

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CONFIDENTIAL

**MODIFICATION NO. TWO (2)
TO THE BUREAU OF INDIAN AFFAIRS/PUEBLO OF LAGUNA
COOPERATIVE AGREEMENT**

Attachment A to the Bureau of Indian Affairs/Pueblo of Laguna Cooperative Agreement of December 5, 1986 for the reclamation of the Jackpile-Paguate mine site is hereby modified by the parties as follows:

**ATTACHMENT A
Laguna Pueblo Management Plan**

1.0 SUMMARY

The Pueblo's basic plan for management of the Jackpile-Paguate Reclamation Project consists of: (1) contracting with a Technical Assistance Contractor (TAC) to prepare detailed engineering designs; (2) contracting with a construction engineering services contractor (ESC) who will have the responsibility for assisting the Reclamation Project Manager and Laguna Construction Company, Inc. with the reclamation project; and (3) relying upon the management capabilities and expertise of Laguna Construction Company (LCC) and the Reclamation Project Manager (RPM) for the implementation of the annual operating plans and specific reclamation project plan components.

Precise cost and schedules will accompany all detailed engineering designs and operating plans, from which costs and any variance from plans will be closely monitored. The reclamation settlement funds, which are the sole source of funds for the reclamation project, will be managed in accordance with the Financial Plan as provided in Attachment B. The Contracting Officer will have oversight over all aspects of the project.

4.0 MANAGEMENT PLAN

The Pueblo's plan for managing the Jackpile-Paguate Project has five (5) major components: project management; financial management; contracting for technical assistance; contracting for engineering design services; and creation and management of the Laguna Construction Company, Inc. (LCC).

The Pueblo will provide overall project management. To the extent technical assistance or expertise may be required, such will be solicited by contract or like means.

The Pueblo will contract with a TAC for the preparation of detailed engineering designs and project operating plans.

The Pueblo will contract with an ESC who will be responsible for assisting the Pueblo through its RPM in the implementation of the reclamation project, including providing third party verification of production quantities and assisting the RPM with the implementation of the project plan components.

The Pueblo shall retain the option to contract with the TAC, ESC or any other entity for the collection and analysis of environmental monitoring data, inspections of the construction operations, operation of the cost and schedule control program and for providing management assistance for the operation of the LCC. Such decisions shall be based upon the Pueblo's performance and project requirements.

The Pueblo has established the LCC. To the extent additional technical assistance or expertise may be required, such will be solicited by contract or like means.

4.3 CONTRACTING WITH AN ENGINEERING SERVICES CONTRACTOR

The Pueblo of Laguna has entered into an agreement for Construction Engineering Services with a sub-contractor who has demonstrated extensive expertise in construction engineering services of major earth moving projects and reclamation of low-level radioactive waste.

The primary responsibilities of the ESC shall be to:

- Monitor the implementation of the Health and Safety Plan;
- Provide third party verification of production volumes and other quantities for payout. Upon volume verification, assist implementation of work package close-out procedures;
- Provide periodic cost and schedule analysis for forecasting to the RPM and will assure that work packages conform to the detailed engineering designs and project operating plans. The work packages will contain a detailed description of the work to be performed;
- To assist the RPM in the implementation and execution of the:
 - (a) Environmental Monitoring Plan;
 - (b) Regulatory Compliance Plan;
 - (c) Construction Inspection Plan;
 - (d) Annual Operating Plan (to include establishment of target prices/costs and detailed descriptions);
- Assist in issuing Monthly Progress Reports;
- Assist in development and issuance of Change Orders;
- Provide consulting services for redesign and field changes;
- Assist the RPM in reviewing/processing LCC invoices for work performed;
- Obtain sub-contracting services as requested by RPM.
- Monitor field activities of the LCC.

The ESC shall guarantee that all services provided shall conform to accepted standards of professional care, skill and diligence with a twelve month guarantee. There shall be no guarantee limitation for engineering design services.

4.4 LAGUNA CONSTRUCTION COMPANY, INC.

The Pueblo has established and incorporated the Laguna Construction Company, Inc. The LCC shall function as the construction manager. The primary responsibilities of the LCC are to:

- Supervise all field activities;
- Obtain all necessary construction equipment needed for the reclamation project;
- Conduct specialized construction operations (detailed blasting, water treatment and discharge);
- Define and implement all construction methods and procedures;
- Develop and implement the annual construction schedule, personnel management plan, and equipment/maintenance and repair plan, and cost and schedule control program;
- Implement the worker health and safety plan;
- Calculate pay volumes and monthly progress reports;
- Perform all construction, construction quality control, land survey production control, employee training and site security measures.

4.5 PUEBLO OF LAGUNA/RPM

The Pueblo of Laguna through its RPM shall exercise general supervisory powers of management of the reclamation project, including but not limited to the following:

- To prepare yearly updates of the Annual Operating Plans;
- To review and approve (within limits set by Council) payment requests and change orders;
- To monitor the project cash flow, designs and specifications, costs and scheduling, and health and safety programs;
- To issue monthly progress reports and change orders;
- To design field changes and detailed work packages including cost targets;
- To implement the Inspection Plan, Regulatory Compliance Plan, Environmental Monitor Plan, and Annual Operating Plans.

This modification shall remain in effect until November 31, 1991. At the time of review of the Third Annual Operating Plan, the BIA shall also review Modification No. Two (2) for any required changes, deletions, or extensions.

This modification is dated this _____ day of _____, 1988.

Signed:

Bureau of Indian Affairs

Contracting Officer

Pueblo of Laguna

Conrad Lucero
Governor